

FINAL BILL REPORT

SHB 2341

C 568 L 09
Synopsis as Enacted

Brief Description: Modifying the basic health plan program.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Cody and Kelley).

House Committee on Ways & Means
Senate Committee on Ways & Means

Background:

The Health Care Authority (Authority) administers the Basic Health Plan (BHP), which is a health care insurance program for low-income Washington residents. The BHP assists enrollees by providing a state subsidy to offset the costs of premiums. The BHP has approximately 100,000 subsidized enrollees statewide.

Residents of Washington with an income of less than 200 percent of federal poverty level are eligible for enrollment in the BHP. In addition, the enrollee must not be: (1) eligible for Medicare; (2) institutionalized; or (3) in school on a temporary work visa.

The BHP offers general health care services, including physician services, inpatient and outpatient hospital services, prescription drugs, and medications. In addition, the BHP provides coverage for chemical dependency services, mental health services, and organ transplant services; however, these services may not exceed 5 percent of the value of the benefit package.

Enrollees in the BHP are required to contribute to the cost of enrollment in the health care plan through premiums. The premiums are established on a sliding scale according to the enrollee's income level. Providers and other organizations may sponsor enrollees through the payment of their premiums. Enrollees make other contributions in the form of co-pays, deductibles, and co-insurance.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Individuals who are receiving medical assistance through the Department of Social and Health Services (DSHS) are not eligible for subsidized coverage under the Basic Health Plan (BHP).

The limitation of chemical dependency services, mental health services, and organ transplant services to a combined maximum limit of 5 percent of the value of the BHP benefit package is eliminated.

The Health Care Authority (Authority) must encourage enrollees who have been continuously enrolled in the BHP for at least one year to complete a health risk assessment and participate in programs to improve health status, such as wellness, smoking cessation, and chronic disease management programs.

The Authority is authorized to disenroll subsidized enrollees to prevent overexpenditure of the BHP. The Authority must establish criteria for selecting individuals to disenroll which may include the amount of time that an individual has been continually enrolled on the BHP, the individual's income level, or the individual's eligibility for other coverage. Prior to disenrolling an enrollee, the Authority must attempt to identify enrollees who are eligible for other coverage and assist in transitioning those who are eligible for coverage through medical assistance. The criteria must also address circumstances for allowing individuals who have been disenrolled to reapply.

The situations under which the Authority must implement a self-insured coverage system for subsidized BHP enrollees are removed and the Authority is permitted to establish a self-insurance system, at its discretion, as long as there is sufficient funding in the BHP Self-Insurance Reserve Account.

The BHP is exempt from insurance requirements to cover the full difference between the enrollee's coverage and other coverage available to the enrollee. Managed health care systems participating in the BHP are required to determine whether an enrollee has other insurance coverage and report to the Authority on their coordination of benefits activities.

The Authority is authorized to collect voluntary contributions from state employees through payroll deductions to be used to maintain enrollment in the BHP. Contributions are to be made in \$15, \$30, and \$50 amounts each month or in other amounts as determined by the Authority.

The requirements that the Authority and the DSHS report each year on the employment status of BHP enrollees are suspended until November 2012.

Votes on Final Passage:

House	89	9	
Senate	30	13	(Senate amended)
House	86	7	(House concurred)

Effective: July 26, 2009

May 19, 2009 (Section 3)